## SECOND REGULAR SESSION

[PERFECTED]

# SENATE BILL NO. 699

#### 97TH GENERAL ASSEMBLY

#### INTRODUCED BY SENATOR PEARCE.

Read 1st time January 13, 2014, and ordered printed.

Read 2nd time January 30, 2014, and referred to the Committee on Education.

Reported from the Committee March 6, 2014, with recommendation that the bill do pass and be placed on the Consent Calendar.

Removed from the Consent Calendar March 11, 2014.

Re-reported from the Committee March 13, 2014, with recommendation that the bill do pass.

Taken up for Perfection March 26, 2014. Bill declared Perfected and Ordered Printed.

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TERRY L. SPIELER, Secretary.

### AN ACT

To repeal sections 173.030 and 174.450, RSMo, and to enact in lieu thereof two new sections relating to state authorization of reciprocity agreements for distance education.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 173.030 and 174.450, RSMo, are repealed and two new

- 2 sections enacted in lieu thereof, to be known as sections 173.030 and 174.450, to
- 3 read as follows:

173.030. The coordinating board, in addition, shall have responsibility,

- 2 within the provisions of the constitution and the statutes of the state of Missouri,
- 3 for:
- 4 (1) Requesting the governing boards of all state-supported institutions of
- 5 higher education, and of major private institutions to submit to the coordinating
- 6 board any proposed policy changes which would create additional institutions of
- 7 higher education, additional residence centers, or major additions in degree and
- 8 certificate programs, and make pertinent recommendations relating thereto;
- 9 (2) Recommending to the governing board of any institution of higher
- 10 education in the state the development, consolidation, or elimination of programs,
- 11 degree offerings, physical facilities or policy changes where that action is deemed
- 12 by the coordinating board as in the best interests of the institutions themselves

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and/or the general requirements of the state. Recommendations shall be 13 submitted to governing boards by twelve months preceding the term in which the 15 action may take effect;

- 16 (3) Recommending to the governing boards of state-supported institutions of higher education, including public community colleges receiving state support, 17 formulas to be employed in specifying plans for general operations, for 18 development and expansion, and for requests for appropriations from the general 19 20 assembly. Such recommendations will be submitted to the governing boards by 21 April first of each year preceding a regular session of the general assembly of the 22 state of Missouri;
  - (4) Promulgating rules to include selected off-campus instruction in public college and university appropriation recommendations where prior need has been established in areas designated by the coordinating board for higher education. Funding for such off-campus instruction shall be included in the appropriation recommendations, shall be determined by the general assembly and shall continue, within the amounts appropriated therefor, unless the general assembly disapproves the action by concurrent resolution;
- (5) Coordinating reciprocal agreements between or among Missouri state institutions of higher education at the request of one or more of the institutions 32 party to the agreement, and between or among Missouri state institutions of 33 higher education and publicly supported higher education institutions located outside the state of Missouri at the request of any Missouri institution party to the agreement;
  - (6) Entering into agreements for interstate reciprocity regarding the delivery of postsecondary distance education, administering such agreements, and approving or disapproving applications to participate in such agreements from a postsecondary institution that has its principal campus in the state of Missouri:
  - (a) The coordinating board shall establish standards for institutional approval. Those standards shall include, but are not limited to the:
- 44 a. Definition of physical presence for non-Missouri institutions serving Missouri residents consistent with other states' definitions of 45 physical presence; and 46
  - b. Establishment of consumer protection policies for distance education addressing recruitment and marketing activities; disclosure

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of tuition, fees, and other charges; disclosure of admission processes and procedures; and student complaints;

- (b) The coordinating board shall establish policies for the review and resolution of student complaints arising from distance education programs offered under the agreement;
- (c) The coordinating board may charge fees to any institution that applies to participate in an interstate postsecondary distance education reciprocity agreement authorized pursuant to this section. Such fees shall not exceed the coordinating board for higher education's cost of reviewing and evaluating the applications; and
- (d) The coordinating board shall promulgate rules to implement the provisions of this subdivision. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2014, shall be invalid and void;
  - (7) Administering the nurse training incentive fund;
- 71 [(7)] (8) Conducting, in consultation with each public four-year 72 institution's governing board and the governing board of technical colleges and community colleges, a review every five years of the mission statements of the 73 institutions comprising Missouri's system of public higher education. This review 74shall be based upon the needs of the citizens of the state as well as the requirements of business, industry, the professions and government. The purpose 76 of this review shall be to ensure that Missouri's system of higher education is 77responsive to the state's needs and is focused, balanced, cost-effective, and 79 characterized by programs of high quality as demonstrated by student performance and program outcomes. As a component of this review, each 80 81 institution shall prepare, in a manner prescribed by the coordinating board, a 82 mission implementation plan for the coordinating board's consideration and approval. If the coordinating board determines that an institution has qualified for a mission change or additional targeted resources pursuant to review

conducted under this subdivision and subdivision [(8)] (9) of this subsection, the coordinating board shall submit a report to the general assembly that outlines the proposed mission change or targeted state resources. No change of mission for an institution under this subdivision establishing a statewide mission shall become effective until the general assembly approves the proposed mission change by concurrent resolution, except for the institution defined pursuant to subdivision (1) of section 174.010, and has been approved by the coordinating board and the institutions for which the coordinating board has recommended a statewide mission prior to August 28, 1995. The effective date of any mission change under this subdivision shall be the first day of July immediately following the approval of the concurrent resolution by the general assembly as required under this subdivision, and shall be August 28, 1995, for any institution for which the coordinating board has recommended a statewide mission which has not yet been implemented on such date. Nothing in this subdivision shall preclude an institution from initiating a request to the coordinating board for a revision of its mission; and 

- [(8)] (9) Reviewing applications from institutions seeking a statewide mission. Such institutions shall provide evidence to the coordinating board that they have the capacity to discharge successfully such a mission. Such evidence shall consist of the following:
- (a) That the institution enrolls a representative cross-section of Missouri students. Examples of evidence for meeting this requirement which the institution may present include, but are not limited to, the following: enrolling at least forty percent of its Missouri resident, first-time degree-seeking freshmen from outside its historic statutory service region; enrolling its Missouri undergraduate students from at least eighty percent of all Missouri counties; or enrolling one or more groups of special population students such as minorities, economically disadvantaged, or physically disadvantaged from outside its historic statutory service region at rates exceeding state averages of such populations enrolled in the higher educational institutions of this state;
- (b) That the institution offers one or more programs of unusual strength which respond to a specific statewide need. Examples of evidence of meeting this requirement which the institution may present include, but are not limited to, the following: receipt of national, discipline-specific accreditation when available; receipt of independent certification for meeting national or state standards or requirements when discipline-specific accreditation is not available; for

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121 occupationally specific programs, placement rates significantly higher than 122 average; for programs for which state or national licensure is required or for 123 which state or national licensure or registration is available on a voluntary basis, 124 licensure or registration rates for graduates seeking such recognition significantly 125 higher than average; or quality of program faculty as measured by the percentage 126 holding terminal degrees, the percentage writing publications in professional 127 journals or other appropriate media, and the percentage securing competitively 128 awarded research grants which are higher than average;

- (c) That the institution has a clearly articulated admission standard consistent with the provisions of subdivision (4) of subsection 2 of section 173.005 or section 174.130;
- (d) That the institution is characterized by a focused academic environment which identifies specific but limited areas of academic emphasis at the undergraduate, and if appropriate, at the graduate and professional school levels, including the identification of programs to be continued, reduced, terminated or targeted for excellence. The institution shall, consistent with its focused academic environment, also have the demonstrable capacity to provide significant public service or research support that address statewide needs for constituencies beyond its historic statutory service region; and
- (e) That the institution has adopted and maintains a program of continuous quality improvement, or the equivalent of such a program, and reports annually appropriate and verifiable measures of institutional accountability related to such program. Such measures shall include, but not be limited to, indicators of student achievement and institutional mission attainment such as percentage of students meeting institutional admission standards; success of remediation programs, if offered; student retention rate; student graduation rate; objective measures of student, alumni, and employer satisfaction; objective measures of student learning in general education and the major, including written and oral communication skills and critical thinking skills; percentage of students attending graduate or professional schools; student placement, licensure and professional registration rates when appropriate to a program's objectives; objective measures of successful attainment of statewide goals as may be expressed from time to time by the coordinating board or by the general assembly; and objective measures of faculty teaching effectiveness. In the development and evaluation of these institutional accountability reports, the coordinating board and institutions are expected to use multiple measures of success, including

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157 nationally developed and verified as well as locally developed and independently 158 verified assessment instruments; however, preference shall be given to nationally developed instruments when they are available and if they are 159 160 appropriate. Institutions which serve or seek to serve a statewide mission shall be judged to have met the prerequisites for such a mission when they 161 162 demonstrate to the coordinating board that they have met the criteria described 163 in this subdivision. As a component of this process, each institution shall 164 prepare, in a manner prescribed by the coordinating board, a mission 165 implementation plan for the coordinating board's consideration and approval.

174.450. 1. Except as provided in subsection 2 and subsection 6 of this section, the governing board of the University of Central Missouri, Missouri State University, Missouri Southern State University, Missouri Western State University, and of each other public institution of higher education which, through the procedures established in subdivision [(7) or] (8) or (9) of section 173.030, is charged with a statewide mission shall be a board of governors consisting of eight members, composed of seven voting members and one nonvoting member as provided in sections 174.453 and 174.455, who shall be 9 appointed by the governor of Missouri, by and with the advice and consent of the 10 senate. No person shall be appointed a voting member who is not a citizen of the United States and who has not been a resident of the state of Missouri for at 11 12least two years immediately prior to such appointment. Not more than four 13 voting members shall belong to any one political party. The appointed members 14 of the board of regents serving on the date of the statutory mission change shall become members of the board of governors on the effective date of the statutory 15 16 mission change and serve until the expiration of the terms for which they were appointed. The board of regents of any such institution shall be abolished on the 17 effective date of the statutory mission change, as prescribed in subdivision [(7) 18 or (8) or (9) of section 173.030. 19

2. The governing board of Missouri State University, a public institution of higher education charged with a statewide mission in public affairs, shall be a board of governors of ten members, composed of nine voting members and one nonvoting member, who shall be appointed by the governor, by and with the advice and consent of the senate. The nonvoting member shall be a student selected in the same manner as prescribed in section 174.055. At least one but no more than two voting members shall be appointed to the board from each congressional district, and every member of the board shall be a citizen of the

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United States, and a resident of this state for at least two years prior to his or her appointment. No more than five voting members shall belong to any one political party. The term of office of the governors shall be six years, except as provided in this subsection. The term of office for those appointed hereafter shall end January first in years ending in an odd number. For the six voting members' terms that expired in 2011, the successors shall be appointed in the following

- 35 (1) Of the five voting members' terms that expired on August 28, 2011, 36 one successor member shall be appointed, or the existing member shall be 37 reappointed, to a term that shall expire on January 1, 2013;
- 38 (2) Of the five voting members' terms that expired on August 28, 2011, 39 two successor members shall be appointed, or the existing members shall be 40 reappointed, to terms that shall expire on January 1, 2015;
  - (3) Of the five voting members' terms that expired on August 28, 2011, two successor members shall be appointed, or the existing members shall be reappointed, to a term that shall expire on January 1, 2017; and
- 44 (4) For the voting member's term that expired on January 1, 2011, the 45 successor member shall be appointed, or the existing member shall be 46 reappointed, to a term that shall expire on January 1, 2017.
- Notwithstanding any provision of law to the contrary, nothing in this section relating to a change in the composition and configuration of congressional districts in this state shall prohibit a member who is serving a term on August 28, 2011, from completing his or her term.
- 3. If a voting member of the board of governors of Missouri State University is found by unanimous vote of the other governors to have moved such governor's residence from the district from which such governor was appointed, then the office of such governor shall be forfeited and considered vacant.
- 55 4. Should the total number of Missouri congressional districts be altered, 56 all members of the board of governors of Missouri State University shall be 57 allowed to serve the remainder of the term for which they were appointed.
- 5. Should the boundaries of any congressional districts be altered in a 59 manner that displaces a member of the board of governors of Missouri State 60 University from the congressional district from which the member was appointed, 61 the member shall be allowed to serve the remainder of the term for which the 62 member was appointed.
  - 6. The governing board of Missouri Southern State University shall be a

board of governors consisting of nine members, composed of eight voting members and one nonvoting member as provided in sections 174.453 and 174.455, who shall be appointed by the governor of Missouri, by and with the advice and consent of the senate. No person shall be appointed a voting member who is not a citizen of the United States and who has not been a resident of the state of Missouri for at least two years immediately prior to such appointment. Not more than four voting members shall belong to any one political party.

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